

EFFECTIVE

April 1, 2013.

SUBJECT

1. Terminology, program overview, and documentation requirements.
2. Item name change.
3. Underpayment retroactive period.
4. Forms and changes.
5. Clarification on documentation expiration.
6. DOC documentation requirements.
7. Additional language for non-Michigan wards.
8. Clarification for required nonrecurring adoption expenses (NRE) documentation.
9. Form change and documentation requirements.
10. Signature deadlines and documentation retention statement for eligibility.
11. Wording clarification.
12. Signature deadlines, documentation retention and non-title IV-E Medicaid continuation qualifications for extensions.
13. Interpretations and clarification for medical subsidy.
14. Administrative hearing terminology change.

**1. Terminology,
program overview
and
documentation
requirements**

AAM 100, Program Overview:**Adoption Medical Subsidy**

The adoption medical subsidy is a reimbursement program available to help pay for medical costs for children adopted from the public child welfare system if they have an identified physical, mental or emotional condition which existed, or the cause of which existed before the adoption petition was filed.

Reason: Clarification of language for eligible child.

Agency Responsibilities

A requirement was added to have the prospective adoptive family sign the DHS-4081, Intent Statement, requesting a determination of eligibility be made before the adoption worker submits the application for adoption support subsidy/non-recurring adoption expenses.

Reason: Clarification and alignment with adoption policy.

2. Item name change

AAM 140, Recoupments

The Administrative Manual (PAM) has changed to Bridges Administrative Manual (BAM).

3. Underpayment retroactive period

AAM 150, Underpayments

The time frame allotted to make retroactive payment corrections under the underpayments section has been changed from 12 months to two (2) years.

Reason: Payments to align with adoption subsidy non-recurring expenses claim section (AAM 310).

4. Forms and changes

AAM 170, Forms and Publications

The 1341-M, Adoption Medical Subsidy Application has been removed from policy, as it has been replaced. Ordering forms from Office Services Division was removed as required forms are available on the DHS public website.

Reason: Reference simplicities and cost savings.

5. Clarification on documentation expiration

AAM 200, Adoption Support Subsidy Eligibility and Funding Source Determination:

Application Process

Documentation must be current at the time the application is received in the Adoption Subsidy Office in order for it to be accepted and not subject to expiration during the review process.

Defined relative within the 5th degree of consanguinity and clarified sibling eligibility qualifications.

Details were added to the applicable and not applicable child requirement sections.

Reason: Clarification of current documentation in order to expedite the application process and clarify language to assist workers.

6. DOC documentation requirements

AAM 210, Adoption Support Subsidy Rate Determination:

Required Documentation of Child's Needs

Documentation must be current at the time the **complete** application is received in the Adoption Subsidy Office in order for it to be accepted and not subject to expiration during the review process. The DHS-66 and DHS-67 must be dated within three months of received date of application.

The following statement was added to the determination of care (DOC) rates above level III subsection: A copy of the professional documentation that supports the determination of care (DOC) rate, if applicable.

The following statement was removed from this section: The Adoption Subsidy Office may request additional information in order to clarify information in the DOC determination.

Reason: Clarification of current documentation and consistency with other sections of the manual.

7. Additional language for Non- Michigan Wards

AAM 300, Non-recurring Adoption Expenses (NRE) Eligibility:

Non-Michigan Ward

Title IV-E prohibits the payment of title IV-E adoption assistance on behalf of an applicable child who is not a citizen or resident of the United States (U.S.) and was either adopted outside the U.S. or brought to the U.S. for the purpose of being adopted.

Reason: Program office clarification.

**8. Clarification for
required (NRE)
documentation**

AAM 310, Non-recurring Adoption Expenses Claim:

Reimbursement

Documentation needed to process non-recurring expense requests was defined.

Reason: Program office request.

**9. Form change
and
documentation
requirements**

AAM 400, Medical Subsidy Eligibility:

Application

The 1341, Adoption Assistance and/or Medical Subsidy Application will be used for the adoption worker to apply for support and/or medical subsidy. The 1341A will be used for adoptive families to apply for medical subsidy following the adoptive placement order.

Documentation requirements

Comprehensive evaluation for Attention Deficit Disorder has changed to include a psychiatrist for an authorized evaluation.

Reason: Program office clarification.

**10. Signature
deadlines and
document
retention for
eligibility**

AAM 500, Adoption Subsidy Agreements-All programs: Adoption Support Subsidy/NRE and Pre-Adoption Medical Subsidy

If the agreement(s) have not been signed by the prospective adoptive parent within 90 calendar days of the issuance of the agreement(s), the adoption worker must submit a change request with a

current determination of care (DOC) assessment to the Adoption Subsidy Office and a new agreement will be issued.

The Adoption Subsidy Office will retain a copy of agreement(s); the original(s) will be provided to the prospective adoptive parent.

Reason: Program office request.

11. Wording clarification

AAM 620, Post Placement Adoption Subsidy Duration-All Programs:

Reference to the medical condition in medical subsidy policy was changed to certified condition.

Reason: Program office request.

12. Extension signature, document retention, and non-title IV-E Medicaid eligibility for extensions

AAM 630, Post Placement-Extension:

Non-Title IV-E Medicaid Eligibility

Medicaid is not continued for adoptees over age 18 who are eligible for a state-funded adoption support subsidy extension, unless determined eligible for continuation by the Adoption Subsidy Office.

Agreements

The agreement must be signed, witnessed and returned to the Adoption Subsidy Office within 90 calendar days of the agreement issuance date.

The Adoption Subsidy Office will retain a copy of agreement(s); the original(s) will be provided to the adoptive parent.

Reason: Program office request.

13. Interpretation and clarification for medical subsidy

AAM 640, Post Placement-Use of The Adoption Medical Subsidy Program:

Use of Available Resources

Medical subsidy payments cannot be issued unless all other available public money and third-party payments, such as Medicaid, Children's Special Health Care Services, Community Mental Health and private insurance, have been exhausted.

The medical subsidy program is the payer of last resort.

Treatment Responsibility

It is now required that all mental health providers must be licensed and/or under contract with the department.

Prior Authorization Requirements

In order for the Adoption Subsidy Office to reimburse for medical or treatment services, the parent must obtain authorization from the Adoption Subsidy Office **before** the service is rendered. Payment is made only for services provided during the approved time period and when the child is eligible for medical subsidy.

Durable Medical Equipment

Documentation is needed to provide prior authorization for medical equipment.

Educational Services

Tutoring qualifications have changed. Children ages 7 and older with a failing grade (D or below) may be eligible for tutoring services if all of the following apply:

- The child has a 504 plan, or an Individual Education Plan (IEP).
- The child requires specific additional assistance beyond parent assistance.

- The need for tutoring is related to a certified condition that has been approved by the Adoption Subsidy Office.
- The rate of pay for tutoring services has changed and credentials of the tutor must be submitted with the request for prior approval.

Academic credit recovery/summer school courses have been added to the policy.

Physical, Occupational and Speech Therapy

If physical, occupational and speech therapy have prior authorization, the services will be paid up to the current Medicaid payment rate and will not be authorized if the service is being provided by private insurance, Children's Special Health Care Services, local public school district and/or Medicaid.

Outpatient Counseling

For a child with an emotional/mental condition that has been certified eligible by the Adoption Subsidy Office, payment for outpatient therapy does not require prior approval for the first 20 sessions if either of the following applies:

- The child is transitioning from foster care to adoption and will continue to receive services from the same counselor used in foster care.
- The child has not received counseling services in the past 12 months and the parent(s) are currently seeking services for the child. Additional counseling must receive prior approval by the Adoption Subsidy Office.

Progress reports for each child receiving outpatient therapy are required every 90 calendar days during the approval coverage period.

Changes to the counseling rates have been made.

Behavioral Services

Signature requirements for providers have been added, as well as a supervisory plan by the treatment specialist for behavioral services.

Placement Outside of A Family Home

Two services have been added to the program, Step-Up and Step-Down services.

Residential Services

Prior authorization requirements and supporting documentation have been clarified in this section.

Billing Procedures

Billing procedures and billing information have been combined. Steps for payment of services have been added. A billing sheet will be created for providers to utilize.

Reason: Clarification request from the Adoption Subsidy Work Group.

14. Administrative hearing terminology change

AAM 700, Adoption Subsidy Administrative Hearings:

State Office of Administrative Hearings and Rules (SOAHR) has changed to Michigan Administrative Hearings System (MAHS).

Reason: Alignment with administrative hearing program.

Communication Plan: Adoption Subsidy Power Point.

**MANUAL
MAINTENANCE
INSTRUCTIONS****Changed Items (content changes) ...**

**AAM 100
AAM 140
AAM 150
AAM 170
AAM 200
AAM 210
AAM 300
AAM 310
AAM 400
AAM 500
AAM 620
AAM 630
AAM 640
AAM 700**